

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

2007 MAY 21 P 12:18  
MURs 5577 and 5620

National Association of Realtors – 527 Fund )

**SENSITIVE**

**GENERAL COUNSEL'S REPORT #3**

**I. ACTIONS RECOMMENDED**

Accept the attached conciliation agreement with the National Association of Realtors –  
527 Fund ("NAR 527"), dismiss as a matter of prosecutorial discretion allegations that the  
National Association of Realtors violated 2 U.S.C. § 441b(a), and close the file.

**II. BACKGROUND**

On December 13, 2005, the Commission found reason to believe that NAR 527 violated  
2 U.S.C. §§ 433 and 434 of the Federal Election Campaign Act of 1971, as amended ("the Act")  
by failing to register and report as a political committee in connection with its 2004 activities and  
authorized an investigation.<sup>1</sup>

We now recommend that the Commission approve the  
attached conciliation agreement.

**III. CONCILIATION AGREEMENT**

---

<sup>1</sup>

General Counsel's Report # 3  
National Association of Realtors – 527 Fund

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

27044161657

27044161658

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

Based on the foregoing, we recommend that the Commission accept the attached  
conciliation agreement with NAR 527.

**IV. NATIONAL ASSOCIATION OF REALTORS**

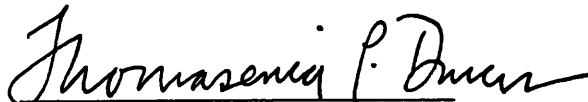
we


recommend that the Commission exercise its prosecutorial discretion and dismiss allegations that NAR violated 2 U.S.C. § 441b(a). *See Heckler v. Chaney*, 470 U.S. 821 (1985).


**V. RECOMMENDATIONS**


1. Accept the attached conciliation agreement with the National Association of Realtors – 527 Fund.
2. In MUR 5577, dismiss as a matter of prosecutorial discretion allegations that the National Association of Realtors violated 2 U.S.C. § 441b(a).
3. Approve the attached Factual and Legal Analysis.
4. Approve the appropriate letters.
5. Close the file.

May 21, 2007  
Date

  
Thomasenia P. Duncan  
General Counsel

  
Ann Marie Terzaken  
Acting Associate General Counsel for Enforcement

  
Julie Kara McConnell  
Acting Assistant General Counsel

  
Elena Paoli  
Attorney

Attachments: Conciliation Agreement – NAR 527  
Factual and Legal Analysis – NAR

**FEDERAL ELECTION COMMISSION**  
**FACTUAL AND LEGAL ANALYSIS**

RESPONDENT: National Association of Realtors

MURs: 5577 and 5620

This matter was generated by two complaints filed with the Federal Election Commission by Thomas J. Strini. *See* 2 U.S.C. § 437g(a)(1). The complainant alleges that the National Association of Realtors (“NAR”) made prohibited and excessive contributions to the Richard Burr Committee by paying for and disseminating direct mail pamphlets advocating Burr’s election to the Senate. The pamphlets, however, were paid for by the NAR Political Action Committee or by NAR 527 Fund. Although NAR 527 received all of its funding from NAR, the Commission exercises its prosecutorial discretion and dismisses allegations that NAR violated 2 U.S.C. § 441b(a). *See Heckler v. Chaney*, 470 U.S. 821 (1985).

27044161669